



Memorandum

To: Panel Members Date: January 23, 2003

From: Chuck Rufo, Manager
Sacramento Development Office Ref. No.: 03-0163

For Peter DeMauro, General Counsel Analyst: Kay Summerfield

Subject: SMALL BUSINESS FAST TRACK AGREEMENT FOR EMPLOYERS WITH 100 OR FEWER EMPLOYEES

Contractor's Legal Name:	Payroll People, Inc.		
Agreement Term Dates:	February 3, 2003 – August 31, 2003		
Turnover Rate:	16%		
County(ies) Served:	Fresno	Rural:	Yes <u>X</u> No: _____
Number of Full-Time Workers:	70	Number to be Trained:	10
Occupations to be Trained:	Customer Service Representative		
Range of Hourly Wages at Retention:	\$11.30 - \$16.50		
Health Benefits:	N/A		
Type of Industry:	Service		
Nature of Business:	Financial Services		
Training Project Profile:	Retraining workers threatened by out-of-state competition: 20% of their revenue comes from out-of-state customers		
Repeat Contractor:	No		
Strategic Category/Legislative Priority:	High Performance Workplace		
Type of Training:	Business Skills		
ETP Funding Amount:	\$5,760		
Employer Contribution:	\$7,135 in trainees' and in-house Instructor's salaries while in and providing training.		
Average Cost per Trainee:	\$576		
Union Representation:	No		
Referred By:	Technology, Trade & Commerce Agency		
Subcontractors:	N/A		
Comments:	There are no individuals participating in this training who have the authority to set company policy.		

**EMPLOYMENT TRAINING PANEL TRAINING AGREEMENT
for Small Businesses with 100 or Fewer Employees**

TERMS, CONDITIONS, AND TRAINING PLAN

1. **Term:** This Agreement is entered into between the Employment Training Panel (ETP) and Payroll People, Inc. (Contractor). The term is February 3, 2003 through August 31, 2003.
2. **Payments:** ETP shall pay the Contractor no more than \$5,760 computed on a fixed-fee reimbursement of \$20.00 per training hour in accordance with the following Chart:

Job #	Number of Trainees to Retain	Required Class/Lab Training Hours	Trainee Will Receive One or More of the Following:	Cost Per Trainee	Payment Schedule		Hourly Health Benefits	Wage at Retention
					PP1 (Enrollment & 8 hours of training)	Final Payment (Training and Retention Completed)		
1	2	16	*Business Skills	\$320	\$160	\$160	N/A	\$13.00- \$14.75
2	8	32	*Business Skills	\$640	\$320	\$320	N/A	\$11.30- \$16.50

* Business Skills: Business Performance and Customer Service

Contractor is responsible for providing 100 percent of the required number of training hours to each trainee in each Job.

3. **Administration:** Contractor is directly responsible for the administration and all training delivered under the term of the Agreement.
4. **Performance:** Earnings are contingent upon the completion of all performance requirements. Contractor shall ensure that ETP or its representative, including the Bureau of State Audits, has the right during normal business hours, to examine, reproduce, monitor and audit accounting source payroll documents, and all other records, books, papers, documents, or other evidence directly related to the performance of this Agreement by the Contractor and available for review at the Contractor's place of business, within the State of California. This right will terminate no sooner than four (4) years from the date of termination of the Agreement or three (3) years from the date of the last payment by ETP to the Contractor, or the date of resolution of appeals, audits, claims, exceptions, or litigation, whichever is later.

ETP may audit this Agreement at anytime up to four (4) years following the end of the term of this Agreement. Audits will be performed in accordance with Government Auditing Standards, which include sampling of available records.

ETP shall inform Contractor in writing if performance by the Contractor is not satisfactory and may, at its discretion, suspend any payment and/or performance, including training, under the Agreement or terminate the Agreement as provided herein.

5. **Unearned Funds:** Contractor may receive unearned progress payments as indicated in the Chart on page 1 of the Agreement. Any funds invoiced and issued for a trainee who does not have an original signature and valid Social Security Number (SSN) on the ETP 104AUTH on file with ETP must be returned to ETP as unearned monies, with applicable interest.

All unearned monies shall be returned to ETP with statutory interest computed from the first day of the month following the date the funds were received.

free policy statement; and

2. Will agree to abide by the terms of the company's statement as a condition of employment on the Agreement.

11. Nondiscrimination: During the performance of this Agreement, Contractor and its subcontractors shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, physical disability (including HIV and AIDS), mental disability, medical condition (cancer), age (over 40), marital status, and denial of family care leave. Contractors and subcontractors shall insure that the evaluation and treatment of their employees and applicants for employment are free of such discrimination and harassment. Contractors and subcontractors shall comply with the provisions of the Fair Employment and Housing Act (Government Code, Section 12900 *et seq.*) and the applicable regulations promulgated thereunder (California Code of Regulations, Title 2, Section 7285.0 *et seq.*) The applicable regulations of the Fair Employment and Housing Commission implementing Government Code, Section 12990 (a-f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations are incorporated into this Agreement by reference and made a part hereof as if set forth in full. Contractor and its subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement. Contractor shall include the nondiscrimination and compliance provisions of this subparagraph in all subcontracts to perform work under this Agreement.
12. Use of ETP Funds: Pursuant to the provision of Government Code Sections 16645, *et seq.*, Contractor certifies that it will not use ETP funds during the term of the Agreement to assist, promote, or deter union organizing. If Contractor does make expenditures to assist, promote, or deter union organizing, Contractor must keep records sufficient to show that no ETP funds were used to assist, promote, or deter union organizing. These records are to be made available to the California Attorney General upon request. Contractor assures that it will comply with the provision of Government Code Sections 16645, *et seq.*, as applicable.
13. Full-Time Employment: Each trainee must be employed full-time, at least 35 hours per week, with the Contractor for a period of at least ninety (90) consecutive days immediately following the completion of training. Training and the retention period for each trainee must be completed within the term of the Agreement.
14. Entire Agreement: This Agreement shall not be transferred to any other party without the prior written approval of ETP. This is the entire Agreement between the parties and it supersedes any other understanding or writing made between them related to this matter.
15. Subcontractors: Contractor may subcontract for training or administrative services. All subcontracting under this Agreement shall comply in form and content with the requirements of ETP. No third party relationship is intended or created between any subcontractor and the ETP.